

S|045|0044 cc: Lestie Task: 5380

March 28, 2013

Leslie Heppler, Resource Geologist Utah Division of Oil, Gas & Mining Department of Natural Resources State of Utah 1594 W North Temple, Suite 1210 PO Box 145810 Salt Lake City, UT 84114-5810

Re: Five Acre Mine Permit - Harborlite Perlite Pit - Permit ID-S450044

RECEIVED
MAR 2 9 2013

DIV. OF OIL, GAS & MINING

Dear Ms. Heppler:

Broken Arrow/McFarland and Hullinger desires to formalize our Harborlite Pit mining permit at Five Acres. The original permit was based on the old pit immediately north of the Pony Express Highway and just east of the Faust railroad station. We have been working sporadically on the old pit, but would like to expand our operations, thus our request for a full five acre permit.

Our bonding company asked for a letter from Oil, Gas & Mining authorizing the five acre permit and stating the bonding requirement. It is my understanding, a bond of \$27,700 is required to cover five acres and the annual amount would be good for five years. Please arrange for such a letter and we will quickly finalize the arrangements for the bond. I signed a reclamation contract for the Perlite Pit during my recent visit with Penny Berry.

If you have any questions or comments, please call.

Yours very truly,

Sidney K. Hullinger Senior Vice President